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FOURTEENTH
ANNUAL REPORT
of
Canadian Wirebound Boxes
LIMITED

TORONTO - - CANADA

Year Ended April 30th, 1942

PURVIS HALL
LIBRARIES
MAR 25 1946
McGILL UNIVERSITY

Canadian Wirebound Boxes
LIMITED

DIRECTORS

A. K. Cameron — H. M. Millar
A. M. Dunn — Stuart B. Playfair
E. G. McMillan — H. L. Trapp
D. L. White, Jr.

OFFICERS

D. L. White, Jr. - - Chairman Board of Directors
A. M. Dunn - - - President and Managing Director
F. H. Ellis - - Secretary
J. P. Berney - - - Treasurer

TRANSFER AGENT
AND REGISTRAR OF TRANSFERS

at Toronto

Chartered Trust and Executor Company

To the Shareholders,

CANADIAN WIREBOUND BOXES, LIMITED.

The Board of Directors submits herewith the Fourteenth Annual Report of the Company for the year ended April 30th, 1942 including consolidated financial statements and the report of the Auditors.

The net earnings for the year, before depreciation and taxes, amounted to $359,339.17. After providing for depreciation of $91,792.48 and Federal income and excess profits taxes of $128,000.00, a net profit of $139,546.69 is shown. This profit has been transferred to Earned Surplus Account and after making provision for dividends of $101,830.00, transfer of $11,375.02 to Special Surplus Account as required and an adjustment of $25,796.53 in the Federal income and excess profits taxes provision for the previous fiscal period, there remains a balance of $224,855.82 to be carried forward as earned surplus.

The working capital of the Company now stands at $249,418.93 as compared with $400,285.90 on April 30th, 1941. The decrease in working capital is accounted for as follows:

Decreases:		
Dividends on Class A Shares	$101,830.00	
Purchase of Buildings, Machinery and Equipment, etc.	259,116.82	
Decrease in Mortgages Payable	11,374.38	
Provision for Federal Income and Excess Profits Taxes, current period, and adjustments affecting prior periods	153,796.53	
Sundry Investments	650.00	
		$526,767.73
Increases:		
Net Earnings for the year (before depreciation and Federal taxes)	$359,339.17	
Miscellaneous Reserve	10,688.14	
Sundry Adjustments	5,873.45	
		375,900.76
Net Decrease in Working Capital		$150,866.97

The major portion of the program of plant rehabilitation, commenced in the previous fiscal period, has now been completed. The resultant improvements in plant layout and the additional space and equipment have enabled the Company to handle, in an efficient manner, an increase of approximately 40% in the volume of business over the previous fiscal period.

A considerable portion of the Company's business is made up of products manufactured either directly or indirectly for war purposes and the result of the improved and increased plant facilities previously commented on has placed the Company in a position to produce additional war products as required.

Arrears of dividends on the Class A shares were reduced during the period by the payment of dividends of 50c per share in excess of the normal dividend and now stand at $1.75 per share. It is the intention of the Directors to continue payments on these arrears until eliminated, providing conditions warrant such action.

On behalf of the Directors and myself, I wish to express appreciation of the splendid services rendered by the executives and employees during the year.

A. M. DUNN,
President.

July 22nd, 1942.

CANADIAN WIREBOUND BOXES, LIMITED

and its Subsidiary

EASTISLE REALTIES LTD.

CONSOLIDATED BALANCE SHEET

April 30th, 1942

ASSETS

Currents Assets		
Cash on hand and in banks	$ 57,057.25	
Accounts Receivable, less Reserve for Bad Debts	336,352.03	
Inventory, Merchandise and Supplies, at the lower of cost or market, as certified by the management	321,502.61	
Prepaid Expenses	23,193.20	
		$ 738,105.09
Cash Surrender Value of Life Insurance		3,775.00
Sundry Investment and Advances		5,515.50
Fixed Assets		
Buildings and Equipment, at depreciated appraisal values as of April 14th, 1928, plus subsequent additions at cost	1,478,882.55	
Less Reserve for Depreciation	658,452.05	
	$ 820,430.50	
Land	176,866.32	
		997,296.82
Patents, Leases, etc.		636,121.71
		$2,380,814.12

LIABILITIES

Current Liabilities		
Accounts and Bills Payable	$ 271,028.43	
Sundry Creditors	24,183.29	
Accrued Expenses	31,474.44	
Provision for Income and Excess Profits Taxes	162,000.00	
		$ 488,686.16
Mortgages Payable		127,268.90
Miscellaneous Reserve		10,688.14
Capital and Surplus		
Class A Stock (no par value): Authorized, 150,000 shares: Originally Issued 90,000 shares; Redeemed and Cancelled, 39,085 shares; Outstanding 50,915 shares		
Class B Stock (no par value): Authorized and Issued 40,000 shares	1,363,790.00	
Consolidated Earned Surplus	224,855.82	
Special Surplus	165,525.10	
		1,754,170.92
		$2,380,814.12

Contingent Liability—The provision for Excess Profits Tax has been calculated after the application of an inventory reserve as permitted by the Act, which reserve is not recorded in the books nor included in the above statement.

Note—Arrears of dividends on Class A Shares at April 30th, 1942 amounted to $1.75 per share.

CANADIAN WIREBOUND BOXES, LIMITED

and its Subsidiary

EASTISLE REALTIES LTD.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended April 30th, 1942

Net Profit before depreciation and taxes	$ 359,339.17
Deduct Provision for Depreciation	91,792.48
Net Profit before taxes	$ 267,546.69
Deduct Provision for Income and Excess Profits Taxes	128,000.00
Net Profit for year	$ 139,546.69

CONSOLIDATED EARNED SURPLUS ACCOUNT

Year ended April 30th, 1942

Earned Surplus, April 30th, 1941		$224,310.68
Add Net Profit for year		139,546.69
		$363,857.37
Deduct		
Dividends on Class A Shares	$101,830.00	
Adjustment, Federal Taxes 1941 period	25,796.53	
Transfer to Special Surplus Account	11,375.02	
		139,001.55
Earned Surplus, April 30th, 1942		$224,855.82

SPECIAL SURPLUS ACCOUNT

Year ended April 30th, 1942

Special Surplus, April 30th, 1941	$154,150.08
Add Transfer from Earned Surplus Account	11,375.02
Special Surplus, April 30th, 1942	$165,525.10

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the books and accounts of Canadian Wirebound Boxes, Limited and its subsidiary, Eastisle Realties Ltd. for the year ended April 30th, 1942. All our requirements, as auditors, have been complied with and we report that, in our opinion, the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs as at April 30th, 1942, according to the best of our information and the explanations given us, and as shown by the books.

THORNE, MULHOLLAND, HOWSON & McPHERSON,

Toronto, July 18th, 1942. Chartered Accountants.

General line of shipping Cases, for practically every purpose now being manufactured by your Company:

WOOD DIVISION

WIREBOUND BOXES *and* CRATES

Three Types
4-ONE
ROCK FASTENER
ALL BOUND

PLYWOOD CASES

NAILED BOXES

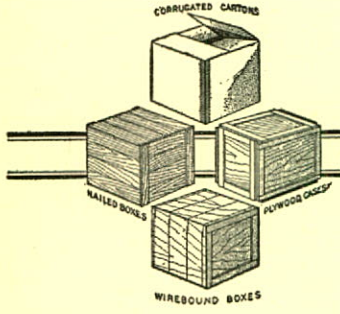
BOTTLE BOXES

PAPER DIVISION

CORRUGATED CARTONS *and* SPECIALTIES

SINGLE FACE ROLLS

DOMINION SLIDING DRAWER STORAGE FILES



CANADIAN WIREBOUND BOXES LIMITED

FACTORIES:

TORONTO, ONT.
1000 GERRARD ST. EAST

MONTREAL, QUE.
6259 NOTRE DAME ST. EAST